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Selected Speeches and News Releases

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Statement

U.S. Department of Agriculture • Office of Information

Statement on Break-off of U.S./Japan Beef and Citrus Quota Talks by Richard E. Lyng, Secretary of Agriculture, May 4., Fallbrook, Calif.

I am extremely disappointed that the trade talks with Agriculture Minister Takashi Sato and Ambassador Clayton Yeutter have broken off without a bilateral solution. While the United States has pressed for liberalization of the beef and citrus market, previous agreements have settled on annual quota increases—the most recent being the four-year Brock-Yamamura Agreement which expired on March 31. Since the signing of the beef-citrus agreement four years ago, we have been consistent in our position that Japan must remove its quotas upon the expiration of that agreement.

Both Ambassador Yeutter and I have repeatedly told the Japanese that we will not negotiate a new agreement that does not provide for complete liberalization. We are firm in our position that the import quotas on beef and citrus products and related measures that restrict consumer access to imports be removed. We believe that these practices are illegal under the General Agreement on Tariffs and Trade (GATT) and today at the GATT Council meeting a panel was established.

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News Releases

U.S. Department of Agriculture • Office of Information

USDA ANNOUNCES CHANGES IN HORSE PROTECTION RULES

WASHINGTON, April 29—The U.S. Department of Agriculture today lifted a recently imposed 16-ounce weight restriction on horseshoes used on show horses, removed prohibitions on the use of certain weights and protective boots, and reinstated restrictions on the placement of weights.

"It has become obvious that some of the limitations contained in recent amendments to horse protection regulations were not appropriate for all breeds and all horses," said James W. Glosser, administrator of USDA's Animal and Plant Health Inspection Service. "Therefore, we are reinstating certain parts of previous rules that limited shoes to 16 ounces for yearling horses, but placed no restrictions on shoe weight for older horses."

USDA also clarified the rule regarding the use of boots. "Boots with protrusions or rough sharp edges or an abrasive surface in contact with a horse's leg that might cause soring are still prohibited," Glosser said. "However, bell boots made of soft rubber or soft leather that are used as protective devices are permitted with no weight restriction. We are asking the public and the horse industry to provide us with additional information on the appropriate and necessary limitation on the use of weights, including horseshoes."

On April 22, APHIS announced new interim rules that phase in restrictions on the height of pads used on show horses to reach a pad height that could not reasonably be expected to cause soring. From April 25 through July 31, pads may be no more than three inches high; from Aug. 1 through Oct. 31, two inches; and, effective Nov. 1, no more than one-half inch covering the sole of the foot. At that time, however, an additional half-inch "rim" pad will be allowed between the full pad and the shoe. All pads must be made of leather or other similar soft pliable material.

The interim rules announced April 22 also prohibited chains or rollers that weigh more than six ounces, including the weight of the fastener.

APHIS will continue to monitor horse shows and work with the industry to prevent soring. "If we find sored horses, we will take action against the responsible parties," Glosser said, "regardless of the devices used."

The Horse Protection Act was passed in 1970 to eliminate the practice of "soring." Soring is the use of cruel methods, devices or chemical substances on a horse's legs or feet that can reasonably be expected to cause a horse to experience pain when walking. Soring is done primarily to alter a horse's gait in the show ring.

The new interim final rule will be published in the May 2 Federal Register. Written comments may be sent to APHIS, USDA, Room 1143-S, P.O. Box 96464, Washington, D.C. 20090-6464 and should be postmarked on or before June 27. Send an original and three copies and refer to Docket No. 88-079.

Nancy Robinson (202) 447-8014

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AMERICA'S FOREST TREE PLANTING HITS ALL-TIME HIGH

WASHINGTON, April 29—In 1987, for the first time, Americans reforested over 3 million acres with 2.3 billion tree seedlings, an area about the size of Connecticut.

"This is the fifth consecutive year the nation has broken the record for planting forest trees," Forest Service Chief F. Dale Robertson said today. "We established a tree planting record in 1981 with 2,374,794 acres planted and that record has been broken every year since then."

The Conservation Reserve Program, established as part of the Food Security Act of 1985, contributed over one-million of the three-million acres of trees planted in 1987. The CRP is designed to remove from cultivation highly erodible agricultural land and plant it to grass, trees, or other vegetative cover.

Today's record-breaking pace surpasses other major tree plantings. The Civilian Conservation Corps planted 2 1/3-million acres to trees over a 10-year period in the 1930's and early 1940's. The Soil Bank Program planted more than two-million acres in late 1950's and early 1960's. The Soil Bank Program provided funds for planting trees on reserve cropland.

These programs have living memorials testifying to the value of forest planting. For instance, it is estimated that 90 percent of the lands planted to trees under the Soil Bank Program are still growing trees.

"The growing activity in reforestation will ensure that in 20 to 30 years we'll be looking at trees that were planted in the 1980's and marveling at their successful growth," Robertson said.

Eighty-seven percent of the tree plantings in 1987 were on private lands, primarily in the South. Private forest owners and farmers have shown the largest percentage increase in the last decade.

"The record tree planting today is based on the realization that growing trees is effective land stewardship and can be a profitable investment as well," Robertson said.

The tree planting statistics are compiled in the recently released 1987 U.S. Forest Planting Report.

Rose Narlock (202) 475-3778

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USDA ANNOUNCES 1988 BURLEY TOBACCO ASSESSMENT RATES

WASHINGTON, April 29—The U.S. Department of Agriculture announced today that producers and purchasers will each be assessed one cent per pound, for a total of two cents, for the 1988 crop of burley tobacco.

The two-cent assessment covers a no-net-cost assessment of 1.6 cent per pound and a budget deficit assessment of .4 cents per pound.

USDA's Commodity Credit Corporation consulted with the two producer-owned associations that provide price support for burley tobacco before determining the no-net-cost assessment.

The budget deficit assessment, .2 cent per pound for producers and .2 cent per pound for purchasers, is imposed as required by amendments made to the Agricultural Act of 1949 by the Omnibus Budget Reconciliation Act of 1987. These amendments provide for a 1.4 percent reduction in the level of price support or an assessment on producers and purchasers of tobacco to achieve an equal reduction in outlays by CCC.

The no-net-cost assessments ensure that the tobacco price support program will be operated at no-net-cost to taxpayers.

Producers who do not pay the no-net-cost assessment will not be eligible for price support loans on their 1988 crop burley tobacco. They also will be subject to a penalty equal to 75 percent of the 1987 average market price for burley tobacco for each pound of tobacco they market.

Bruce Merkle (202) 447-6787

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CCC LOAN INTEREST RATE FOR MAY 6-7/8 PERCENT

WASHINGTON, May 2—Commodity Loans disbursed in May by the U.S. Department of Agriculture's Commodity Credit Corporation will carry an 6-7/8 interest rate, according to Milton Hertz, CCC executive vice president.

The new rate, up from April's 6-5/8 percent, reflects the interest rate charged CCC by the U.S. Treasury in May.

Robert Feist (202) 447-6789

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USDA ISSUES REPORT ON ECONOMIC DEVELOPMENT IN RURAL AMERICA

WASHINGTON, May 3—The U.S. Department of Agriculture today issued its report on federal efforts to assist economic development in rural areas of the United States.

The report outlines rural economic development programs at USDA and at the U.S. Departments of Commerce, Defense, Education, Health and Human Services, Housing and Urban Development, Interior, Labor, Transportation, the Small Business Adminsitration, Environmental Protection Agency and Veterans Administration.

USDA has been designated by the president's Economic Policy Council to lead federal initiatives targeted at revitalizing local rural economies. USDA's Office of Small Community and Rural Development, which prepared today's report, is responsible for coordinating federal programs and activities aimed at rural revitalization through the development of financial, human and physical resources of rural communities.

Roland R. Vautour, undersecretary of agriculture for small community and rural development, said the cooperative federal efforts now underway are helping rural American communities regain economic stability, which had been disrupted by inflation during the late 1970s, the global economic recession and reduction in value of U.S. farmland in the early 1980s, and the increasing farm production capacity of other nations.

"In the past, rural economic development has been dependent on farm policy and income," said Vautour. "We now recognize that the future growth and stability of the rural economy is dependent on diversification at the local level, both in farm production and in the other business segments of community and state economies."

Vautour said rural revitalization efforts at USDA are organized under the department's Rural Regeneration Initiative, which is designed to make the most efficient use possible of existing resources in assisting economically depressed rural communities.

The Rural Regeneration Intitiative is organized into six points: (1) providing education and training related to rural economic development; (2) forming Rural Enterprise Teams to assist specific redevelopment efforts at the state and local level; (3) establishing the Rural Information Center at USDA's National Agricultural Library to serve as a central clearinghouse and point of contact for information of value to rural development efforts; (4) targeting agricultural and economic research to assist rural development and diversification; (5) re-directing Farmers Home Administration loans, grants and loan guarantees to smaller businesses in rural areas of high unemployment and troubled economies; and (6) providing effective overall management of USDA efforts under the Office of the Deputy Secretary of Agriculture.

Among the specific USDA activities cited by the report are: FmHA's business and industry, housing, and community-facility loan programs; FmHA loan-restructuring initiatives; leadership and business education and training programs of the Cooperative Extension Service; targeted research on rural unemployement, agricultural business opportunities, alternative crops and other subjects by the Economic Research Service and the Agricultural Research Service; the Resource Conservation and Development Program of the Soil Conservation Service; marketing research and direct technical assistance to local business development efforts by the Agricultural Cooperative Service; technical and administrative assitance in improving rural rail transporation and roadways by the Office of Transportation, including OT's Access Rural

America Program; and human-resource programs and direct payments from forest receipts to rural counties by the Forest Service.

"These federal programs can help rebuild the resource base of rural communities at the local level, including the human, physical and economic components," said Vautour. "With this help, rural American citizens can re-establish economic productivity, if they draw upon their own strengths and look within their own communities to find the opportunities for growth in the future."

Rob Richards (202) 447-5277

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USDA ISSUES PEANUT POUNDAGE INTERIM RULE ON QUOTAS FOR 1988-1990 CROPS

WASHINGTON, May 2—The U.S. Department of Agriculture today requested public comment on an interim rule on poundage quotas for the 1988 to 1990 crops of peanuts.

The following are the most significant changes made by the interim rule:

—In a state where large quantities of quota pounds are in reserve, the State Agricultural Stabilization and Conservation Committee may allocate excess reserve quantities to quota farms after obtaining approval from the ASCS deputy administrator for state and county operations.

—A peanut farmer who failed to plant the farm's full quota because notice of the final quota was not received by the end of the planting season, may make a fall quota transfer to another farm if ASCS determines that the farmer made a good faith effort to plant the full quota.

—Fall quota transfer rules have been relaxed for determining the number of pounds a farmer may receive under a fall transfer. The maximum number of pounds eligible to be received will equal the difference between the sum of the farm's ungraded and unmarketed pounds of peanuts of all segregation plus the pounds of unmarketed but graded segregation one peanuts, and the quota pounds remaining on the farmer's marketing card.

Directors of foundation seed organizations will be permitted to certify that breeder and foundation seeds have been grown for experimental purposes and will not be used for domestic edible use.

The interim rule appears in today's Federal Register. Written comments may be submitted to the Director, Tobacco and Peanuts Division, USDA-ASCS, P.O. Box 2415, Washington, D.C. 20013. The comments will be available for public inspection during business hours in Room 5750-S of USDA's South Building.

Robert Feist (202) 447-6789.

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TEAM NAMED FOR AGRICULTURAL TRADE MISSION TO INDONESIA AND SINGAPORE

WASHINGTON, May 2—Secretary of Agriculture Richard E. Lyng today appointed eight private sector and government officials to meet with their counterparts in Indonesia and Singapore during the week of May 22 to discuss agricultural trade prospects and other mutual agricultural interests.

The visit is one of a series of U.S. agricultural trade and development missions administered jointly by the U.S. Departments of Agriculture and State and the U.S. Agency for International Development.

Congress authorized the agricultural trade and development missions program in December to encourage greater U.S. private-sector and foreign country participation in U.S. agricultural trade and development activities. The program was announced by USDA in January.

Robert D. Scherer, president of the National Cooperative Business Association, has been named mission leader; Ralph Johnson, Deputy Assistant Secretary of State for Trade and Commerce, will serve as mission coordinator; and Peggy A. Sheenan, vice president of the NCBA, will serve as executive secretary of the mission. Other members are: Nelson Denlinger, executive vice president of U.S. Wheat Associates; Steven A. McCoy, executive director of North American Export Grain Association; Charles Sykes, assistant executive director of CARE; George J. Pope, assistant general sales manager for USDA; and James T. O'Meara, deputy coordinator for the Food for Peace Program with AID.

Participants were chosen for their knowledge of U.S. export programs, as well as the food needs, trade potential and economies of Indonesia and

Singapore. After completion of the mission, the representatives will report their findings and recommendations to the President and the Congress.

For more information, contact Wayne W. Sharp, U.S. coordinator, Agricultural Trade and Development Missions Program, Room 5092-S, U.S. Department of Agriculture, Washington, D.C. 20250-1000; telephone (202) 447-6138.

Sally Klusaritz (202) 447-3448

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TEAM NAMED FOR AGRICULTURAL TRADE MISSION TO THE PHILIPPINES AND HONG KONG

WASHINGTON, May 2—Secretary of Agriculture Richard E. Lyng today appointed seven private sector and government officials to meet with their counterparts in the Philippines and Hong Kong during the week of May 15 to discuss agricultural trade prospects and other mutual agricultural interests. The visit is one in a series of U.S. agricultural trade and development missions administered jointly by the U.S. Departments of Agriculture and State and the U.S. Agency for International Development.

Congress authorized the agricultural trade and development missions program last December to encourage greater U.S. private sector and foreign country participation in U.S. agricultural trade and development activities.

Dean R. Kleckner, president of the American Farm Bureau Federation, has been named mission leader; Melvin E. Sims, general sales manager of USDA, will serve as mission coordinator; and Michel S. Paggi, international trade economist with AFBF, will serve as executive secretary of the mission. Other members are: Andrew J. Koval, executive vice president of the Center for International Development; Donald C. Temme, vice president of the Central Bank for Cooperatives; William Piez, Deputy Assistant Secretary of State for East Asian and Pacific Affairs; and Ronald F. Venezia, director of the Asian and Near East Project Development office for AID.

Participants were chosen for their knowledge of U.S. export programs, as well as the food needs, trade potential and economies of the Philippines and Hong Kong. After completion of the mission, the representatives will report their findings and recommendations to the President and Congress.

For more information, contact Wayne W. Sharp, U.S. coordinator, Agricultural Trade and Development Missions Program, Room 5092-S, U.S. Department of Agriculture, Washington, D.C. 20250-1000; telephone (202) 447-6138.

Sally Klusaritz (202) 447-3448

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USDA INCREASES RETAIL SALES EXEMPTION FOR MEAT, REDUCES POULTRY EXEMPTION

WASHINGTON, May 3—The U.S. Department of Agriculture said today that the limit on the dollar value of meat that retailers can sell to hotels, restaurants and similar institutions without federal inspection has been increased, but that the limit for poultry has been decreased.

"The annual ceiling for institutional sales was raised from $30,500 to $31,600 for meat products," said Lester M. Crawford, administrator of USDA's Food Safety and Inspection Service. "The ceiling for poultry is now $28,100, down from $31,000 last year.

Retail meat and poultry sellers are exempt from federal inspection if total sales do not exceed a limit set by USDA each year and if sales to institutions do not exceed 25 percent of total annual sales.

The retail sales limit is adjusted annually if the Consumer Price Index for meat and poultry increases or decreases by a percentage that would result in a change of more than $500 in the limit. Figures for 1987 show a price increase of 3.5 percent for beef and a price decrease of 9.2 percent for poultry products, which, when applied to retail sales limit, results in an $1,100 increase for meat products and a $2,900 decrease for poultry products.

Notice of these changes was published May 2 in the Federal Register.

Hedy Ohringer (202) 447-9113.

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USDA ANNOUNCES PREVAILING WORLD MARKET RICE PRICES

WASHINGTON, May 3—Acting Under Secretary of Agriculture Richard W. Goldberg today announced the prevailing world market prices of milled rice, loan rate basis, as follows:

—long grain whole kernels, 11.02 cents per pound;
—medium grain whole kernels, 9.97 cents per pound;
—short grain whole kernels, 9.88 cents per pound;
—broken kernels, 5.51 cents per pound.

Loan repayment rates for 1987 crop warehouse or farm-stored rice loans are the higher of the world prices or 50 percent of the loan rates.

Based upon these prevailing world market prices for milled rice, the estimated average world prices for 1987 crop rough rice are:

—long grain, $6.63 per hundredweight;
—medium grain, $6.22 per hundredweight;
—short grain, $6.03 per hundredweight.

The prices announced are effective today at 3 p.m. EDT. The next scheduled price announcement will be made May 10 at 3 p.m. EDT, although prices may be announced sooner if warranted.

Gene Rosera (202) 447-5954

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COMMENT PERIOD EXTENDED ON MAXIMUM PAYMENT LIMITATION PROVISIONS FOR 1989 CROPS

WASHINGTON, May 3—The period for public comment on proposed rules defining a "person" for payment limitation purposes and for determining whether foreign persons will be eligible to receive certain program payments has been extended to May 23, said Milton Hertz, administrator of the U.S. Department of Agriculture's Agricultural Stabilization and Conservation Service.

"Requests have been made to extend the comment period because of the complexity of the proposed rules," Hertz said. "It is in the best interest of all to extend the comment period."

Details of the proposal appeared in the April 6 Federal Register.

Comments must be received by May 23. Send them to: Director, Cotton, Grains and Rice Price Support Division, ASCS-USDA, P.O. Box 2415, Washington D.C. 20013. The comments will be available for public inspection during normal business hours in Room 3641-S of USDA's South Building, 14th St. and Independence Avenue, S.W., Washington, DC.

Bruce Merkle (202) 447-6787

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PIGS "PIG OUT" TO GET LEANER

WASHINGTON, May 5—Getting more lean pork to the marketplace faster might mean getting pigs to "pig out" more at the feed trough, said a U.S. Department of Agriculture scientist.

"Ordinarily, pigs know when they're full and don't really 'pig out,'" said Jerome C. Pekas, an animal physiologist with USDA's Agricultural Research Service. Pigs produce a natural hormone, called cholecystokinin or CCK, that tells them when to lay off the feed.

But in an initial study, he said, pigs ate more and put on more lean tissue when injected with a compound that immunized them against this hormone.

"The pigs 'thought' they were hungry, so they ate more," Pekas said today in Las Vegas at the 72nd annual meeting of the Federation of American Societies for Experimental Biology.

On average, carcasses of the 12 pigs injected with the new compound contained 6 pounds more lean meat than 12 control pigs, said Pekas, who did the study with fellow animal physiologists Bruce D. Schanbacher and William E. Trout at the U.S. Meat Animal Research Center in Clay Center, Neb. And, Pekas added, the leaner pigs consumed an average of 22.5 pounds more feed and gained 11 pounds more weight than the control pigs over the 82-day treatment period.

He stressed that the results are preliminary, but is winding up a second study and plans others using larger numbers of pigs.

The new compound, he said, is a harmless decoy that a pig's immune system treats as a foreign invader by developing antibodies to it. And in the study, the antibodies also inactivated the natural CCK hormone, Pekas said.

The scientists injected pigs first at 11 weeks of age, and later gave

three booster shots. Pekas said he believes only one booster may eventually be used.

"Pigs that got the special injections continue to use feed efficiently, digest extra feed, and go to the feed trough more often than animals in the control group," he said.

The new compound consists of a fragment of CCK chemically bonded to a harmless foreign protein, serum globulin, found in human blood. While CCK has 37 amino acids, the fragment has only eight and is called CCK-8.

CCK-8 immunization of pigs would require federal approval, he said. USDA scientists are pursuing a patent on using it to control appetite in animals.

Physiologists first recognized CCK as a hormone that causes the gall bladder in animals and humans to contract. Its effect on appetite regulation became known within the last 10 years, he said.

He envisions the hormone being further studied in human medicine to treat problems caused by low appetite, such as anorexia nervosa, or insatiable appetite, such as obesity.

Linda Cooke (309) 685-4011

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USDA LIFTS QUARANTINE FROM ALL 13 STATES INFESTED WITH VARROA MITE

WASHINGTON, May 5—Effective May 6, the U.S. Department of Agriculture will remove the federal quarantine imposed April 6 on 13 states infested with the Varroa mite, a parasite of honeybees.

The states are Florida, Illinois, Maine, Michigan, Mississippi, Nebraska, New York, Ohio, Pennsylvania, South Carolina, South Dakota, Washington, and Wisconsin.

"We are lifting the restrictions on the interstate movement of bees and bee equipment from states infested with the Varroa mite," said James W. Glosser, administrator of USDA's Animal and Plant Health Inspection Service. "Information received from state governments, beekeepers, growers and researchers has caused us to conclude that the regulatory program established under the quarantine is not the appropriate mechanism to contain the interstate spread of Varroa mites."

Glosser said APHIS has encountered a number of difficulties in administering the quarantine. ''Our original intent was to implement a regulatory program based on the treatment of bees and bee equipment and the issuance of certificates and limited permits for those articles to be moved interstate,'' said Glosser.

''However, we've found that the requirements under the quarantine are not uniformly appropriate or workable because the role of honeybees in the agricultural economy varies widely from state to state,'' he said. ''Many beekeepers have found it impossible to comply with the regulations and still meet their own deadlines. For example, a beehive may have to be moved interstate several times a year. Treating a hive takes 21 days, which is longer than most beehives are scheduled to stay in a state when they are moved for pollination purposes.''

According to Glosser, other factors in the decision to rescind the quarantine include a shortage of treatment materials, and limited state and federal resources to conduct and coordinate surveys and inspections. ''The movement of hundreds of thousands of hives and other regulated articles tends to occur during short periods in the spring and fall, intensifying the demand for inspection services beyond the limits of current federal and state resources,'' he said.

Glosser said APHIS will continue to coordinate the collection of survey data for the Varroa mite. ''We feel, however, that state governments, producers and beekeepers can best tailor Varroa mite detection, control and other measures to the needs of their particular state,'' he said. ''We believe that by rescinding the quarantine and working with states and the affected industry, we can prevent serious economic losses to agriculture.''

The Varroa mite is an external parasite of adult bees and their developing larvae, or brood. It causes decreased brood, deformed bees and weakening of the colony's ability to pollinate plants and produce honey. Infestation can occur so gradually that the mites may go unnoticed until serious damage is done.

Varroa mites were first discovered in this country last September in a Wisconsin apiary, according to Glosser. Since then, they have been found in the 12 other states.

This interim rule is scheduled for publication in the May 10 Federal Register. An original and three copies of written comments referring to Docket No. 88-082 must be postmarked no later than July 11 and sent to: USDA, APHIS, Room 1143 South Building, P.O. Box 96464, Washington, D.C. 20090-6464.

Comments may be reviewed in Room 1141 of the South Building, 14th St. and Independence Ave., S.W., Washington, D.C., between 8 a.m. and 4:30 p.m., Monday through Friday, except holidays.

Nancy Robinson (202) 447-8014

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